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24 July 1981

KOREAN AFFAIRS REPORT

No. 148

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S. KOREA/ECONOMY

CAREERS OF BUSINESS LEADERS ANALYZED

Seoul HANGUK KYONGJAE SINMUN in Korean 26, 28 Apr 81

[Article by Staff Reporter Pak Yong-chong: "Command Posts for Business"]

[26 Apr 81 p 5]

[Text] One hundred and forty-three people in Directors' Positions

Of 1,750 directors surveyed, former government officials represent a sizeable number, 143 or 8.1 percent.

Among the former government employees, 68 come from five ministries, with 18 from the Ministry of Transportation (mainly centered in the National Railroads Administration), 17 from the Ministry of Construction, 14 from the Ministry of Finance (including the Office of National Tax Administration), 10 from the Ministry of Commerce and Industry, and nine from Seoul City Government.

The 68 from these five ministries make up 47.55 percent of the 143 former civil servants holding directors' positions, revealing the great degree to which civil servants who served as counterparts to business are launching into careers in the business world.

Because this survey was based on only 100 of the larger enterprises, no judgment can be made as to the entire picture, but this statistic does, nevertheless, unveil a trend.

As for former civil servants of high stature, Chairmen of the Board Yu Ch'ang-sun of the Lotte Confectionery Company and Song In-sang of the Tongyang Nylon Company come first.

Chairman Song, before moving into business, held a succession of important positions as Finance Minister, Ambassador to Belgium and President of the Export-Import Bank.

Paek Son-chin, Chairman of the Board of Samho Housing, is former Minister of Finance, while Kim Yong-chu, founder and Chairman of the Board of Chon Bang Co, served once as a Minister to Japan. Former deputy Ministers include T. ehan

Electronics Co President Ch'oe Hyong-kyu (Ministry of Education) and Taedong Industries board chairman Chang tok-hui (Ministry of Agriculture and Fisheries).

Additionally, other former high officials include Kim Chong-o, Vice-President of Nong-sime (Deputy Mayor of Seoul), Kim In-su, President of Korea Mining and Steel (Deputy Director of Fisheries Administration), Yi Ki-se, Director of Ch'ung-ch'ong Textiles (Governor, South Ch'ung-ch'ong Province), and Yun Chong-hyok, Auditor and Inspector of Taesong Industries (Deputy Director of the National Railroads Administration).

A look at the situation by ministry or office shows that managing directors Kang P'il-won and Ko Yong-il of Miyung Construction, Managing Director Kim Mun-hyo of Daelim Manufacturing, Executive Director Son Hyong-nyol of Hansin Industrial Management, Vice President Kang Sin-yong and Managing Director Sin Su-han of Dong-A Construction, Executive Director O il-kun of Ch'ung Ch'ong Textiles, Managing Director Kim Sung-mu and Directors Om Hung-sop and Yun Chong-yong of Sampu Engineering, Director Chong Ui-tong of Tae-U Development, Consultant T'ae Ch'ang-hui of Hanil Development, Executive Director Yi Sun-chong of Chong-wu Development, Executive Director Yi Chong-hwan of T'aep'yongyang [Pacific] Construction, Director Cho Rak-hyon of Kolon Consolidated Construction, and Vice President Kim Ch'ang-kon, Managing Director Yi Sang-chung and Director Yi Chae-un of Chin-Hung Enterprise, are all former members of the Ministry of Construction. With the exception of Executive Director O Il-kun of Ch'ungch'ong Textiles, all are currently pursuing their career in the construction business, thereby maintaining continuity in their specialization.

Former Members of the National Railroads Administration Numerous

Former members of the National Railroads Administration and the Ministry of Transportation are numerous also, including Managing Director Ch'oe yong-t'ae of Dong-A Construction, Managing Director Chong Pyong-nyol of Sampu Engineering, Director Pak Yong-un of Tae-U Development, Managing Director U Ik-won of Kyongnam Enterprises, Vice President Hong Myon-hu and Director Kim Chae-ho of Tae-U Heavy Industries, Director Chong Chin-song of T'aep'yongyang Construction, Chairman of the Board Yi Chong-uk, Vice President Yi Sang-sun and Director Cho Ki-won of Samik Construction, Director Yi Chin-hui of Samho Housing, President Kim Ung-se and Director Yi Yang-hon of Namkwang Engineering, Executive Director Chang Yun-tok of Taehan Transport, Executive Director Yi Sang-un of Taehan Shipping, Managing Director Yim Pok-kyu of Daelim Industries, and Director Ko Ch'ung-sam of Korean Air Lines. In this case, as well, the construction business predominates.

Former officers of the Ministry of Commerce and Industry include Vice President Ch'oe Kun-son of the Lucky Company, Vice President Yi Kil-sang of Korea Caprolactam, Auditor Kim Ung-chin of Tongyang Confectionery, Executive Director Kim Hyon-ch'ol of Sonkyong Synthetics, President Nam Kitong of Tongyang Cement, Managing Director O Ung-hwan of Koryo Steel, Director Kim T'ae-hun of T'aep'yongyang Chemicals, Vice President Ch'oe Yong-un of Hankuk [Korea] Explosives, Vice President Chong Yong-hwan of Seoul Miwon, Executive Director Han Pyong-il of International Business, and Managing Director Son Kye-tong of Hankuk Tire.

Former officials of the National Tax Administration are numerous, too, including Executive Director Yi Pom-il of Ch'ungch'ong Textiles, Deputy Board Chairman Om Pin of the Sam-Mi Corporation, Director Yim Ok-chu of Kyongnam Enterprises, Director So Sung-won of Chinhung Enterprises, Managing Director Yi yong-u of Samik Housing, Director Ch'oe ul-yong of Sam-to Products Company, Executive Director Yi Ho-hyon of Tong-A Construction, Vice President Kwon o-hun of Sam-nip Foods, Vice President Pak Chu-un of Namkwang Engineering, Director Kim Ho-ch'an of Tongkuk Trading and Director Pak Tong-hyon of Tongbang Oil and Flour Mills. As former officials in the Ministry of Finance, Executive Director Pyon Mun-kyu of Tae-tong Industries and Vice President Yun Ki-ro of Daelim Manufacturing are distinguished from the others.

Those who worked in Seoul city government include Vice President Sim Tu-han of Life Housing, Executive Director So-Kyong-yu of T'aep'yongyang Chemicals, Managing Directors Chong Won-yong and Yi Won-Hyon of Daelim Manufacturing, Director Kim Su-ch'ol of Samsong Consolidated Construction, Directors Kim Chu-han and Yi Sang-ch'ol of Samik Housing, and Director Pak yong-kyu of Sam-pu Engineering.

Former Economic Planning Board Officials include President U Yong-hae of Ssangyong [Cement], Vice President Ch'oe Son-rae of the Gold Star [Electronics] Corporation, Director Yi Chong-u of Daelim Manufacturing, Managing Director Kwon Hyok-t'ae of Hanil Synthetics, Director Chong Tae-sik of Samho Housing, Vice President Kim Yong-kyun of T'aep'yongyang Construction, Director Hwang Ch'ol-kap of Cholla Textiles, Managing Director Ko Kyong-hwan of Korea Mining and Refining, Executive Director Pak Chong-hui of Chonchu Paper Products, and Director Kim Young-chun of Kumsong [Gold Star] Electric Cables. On the other hand, President Yim Sung-yop and Director Yi Si-ho of Kolon Consolidated Construction, Director Pak Chong-su of Kumsong Electric Cables, and Director Ch'oe Yong-sang of Tae-u Heavy Industries, all came from the Office of Supply.

Aside from the above, former officials of the Ministry of Agriculture and Fisheries who are active in business include Vice President O Chun-sok of Wonp'ung Manufacturing, Executive Director So Won-chong and Director Ch'oe Ch'on-sang of Taehan Transport, Managing Director Pak Su-hyon of Taedong Industries, and Managing Director Song Pyong-kyun of Seoul Miwon, while the Ministry of Communications is represented by directors Hwang Sang-ku and Kim Young-chong of Tong-A Construction, Managing Director Nam Ki-man of Kumsong Communications, Director Kim Song-pae of Taehan Transport, and Executive Director Kim Tong-son and Managing Director Yi Chong-ha of Taehan Electric Cables.

Reviewing the above directors, it is plain that these men have been successful in making the transition from government to business, taking up as heavy responsibilities in business as they held as government officials, and that most of them have done so without having to have a settling-in period.

Government officials from other ministries now serving in directorial positions are not scarce, either, including those from the Ministry of Home Affairs (President Cho Hung-man of Wonp'ung Manufacturing, Managing Director Yu Chun-sang of T'aep'yongyang Construction, Managing Director Pak Chong-kuk of Life Housing, Managing Director Kim Nam-chae of Hyo-song Products, Director Kim Il-su of

International Business, and President Kim Mun-kun of Taesong Manufacturing); from the Board of Audit and Inspection (Director Cho Tong-ku of Tae-U Industries, Executive Director Kim Tong-won of Tae-U Development, Executive Director Kang Yun-sik of Hyundai Automotive, and Managing Director Yi Chong-ku of Tae-U Heavy Industries); and from the Ministry of Foreign Affairs (Director Ch'oe Ch'ang-hui of Taehan Transport, Director Yi Chong-pok of Kolon Consolidated Construction, Director Ch'oe Hong-t'ae of Ssangyong Cement, and Managing Director Chon Sang-sik of Hanil Synthetics). Also, the fact that Sam-pu Construction's Board Chairman Cho Chong-ku, President Cho Ch'ang-ku, Vice President Yu Chin-yong, and Managing Director Ch'ae Hui-pok, all worked together in the Kyonggi Provincial government, is becoming a matter of interest.

In addition to these, the Ministry of Health and Social Affairs (Executive Director Chong Myong-chin of T'aep'yongyang Chemicals, Director Yang Kyong-son of Chinhung Enterprises, and Yun Kong-tok of the Haet'ae [Confectionery Company]); the Ministry of Defense (Director Song Ho-khong of Hankuk Explosives, Director Ch'oe Tae-lim of Taehan Transport); the Office of the Prime Minister (Managing Director Yi Chong-se of Hyo-song Products, Director Kim Chae-ho of Tae-U Development); and the Economic and Scientific Council (Director Yi Chae-ho of Ch'ungch'ong Textiles, Managing Director Sok Yung-kwan of Samho Housing, and Vice President Kim Ch'ae-kyom of Ssangyong Cement), have all sent a few alumni each into business.

Director Kim Chong-u of Life Housing (Ministry of Education), Chairman of the Board Yi Chong-song of Ch'ungch'ong Textiles (Ministry of Justice), Vice President Cho Nam-uk of Sam-pu Construction (Central Election Management Committee), Director Yi Sang-man of Ssangyong [Cement] and Managing Director In Song-ku of Taehan Shipping (Monopoly Administration), Director Yun Ki-hyong of Tae-u Development (Labor Affairs Administration), Director Song Ch'ang-hak of Union Steel (Kusan Customs Superintendent), Vice President O In-ho of Tongyang Cement (Foreign Capitals Management Bureau), Director Yi Sok-chin of Ch'ungch'ong Textiles (Sougn Ch'ungch'ong Province Police Bureau), Director Cho Yong-hang of Samik Housing (T'aenung Police Chief), and Vice President Cho Tong-ha of T'aep'yongyang Construction (National Unification Board), were also former government officials.

In order for public officials to make the change in their career to the business world, those in economic agencies and departments seem to have clear advantages over others.

[28 Apr 81 p 5]

Next to Civil Servants and Bankers

Among those who have moved into the business world, aside from former financiers and government officials, persons from government corporations and mass media occupy a considerable portion.

Of the government corporations, Korea Electric Company (KECO) has produced the largest number of personnel for the business. Former KECO officials include

Chinhung Enterprises President Yi Won-t'ae and Director Kim T'aek-hui, Director Yi Ik-yong of Miyung Construction, Directors Sin Kon-su, Mun Hong-ki and Yi Tong-chu of Sam-pu Engineering, Managing Director Yi Chong-hun and Director Chong Se-chun of Taehan Electric Cable, Director Kim Si-ung of Samsung Consolidated Construction, Managing Director Mun Ho-jin of Tongsan Engineering, Director Yim Hak-hyon of Namkwang Engineering, Managing Director Chong Kun-hwa of Samik Construction, and Managing Director Yi Pyong-su of Kong-yong Engineering.

Former officials of the Korea Coal Corporation are numerous in Kangwon Manufacturing, with President Chong In-uk, Vice President, Kim Yu-son and Executive Director Pak Ch'ang-yong all being alumni of Korea coal. In addition, Tae-u Industries Managing Director Na In-ku and Hankuk Explosives Director Pak Tu-yong, are also former officials of Korea coal.

Almost all former officials of the Korea National Housing Corporation and the Korea Highway Corporation are employed in the construction business.

Former officials of the Korea Highway Corporation include Managing Director Kim Chae-son of Daelim Manufacturing, Managing Director Han Ch'ol-su of Sam-pu Engineering, Managing Director Kong Ch'ol-kyu of Kong-yong Engineering, and Director Kim In-chin of Namkwang Engineering. Former officials of the Korea National Housing Corporation who were scouted into the directorship include: Vice President Kim Son-won of Tong-A Construction, Director Ho Kyu-yong and Managing Director Kwak Tong-su of Miyung Construction, Directors Ch'a Hyong-ki and Yim Kwang-t'aek of Hansin Industrial Management, Director Yi Kyong-chu of T'aep'yongyang Construction, and Managing Directors Yang Pyong-in and o Tuk-hwan of Chinhung Enterprises.

Recruitment From Korea Trade Promotion Corporation to Large Conglomerates

Former officials of the Korea Trade Promotion Corporation are numerous among the business conglomerates, with Director Kang Tae-hyon of Tae-u Enterprises, and Directors Kwon Pyong-sun and Cho Sang-hyon of the Hyundai Corporation, just to name a few.

There are also many former military officers presently working in the business world. There are, for example, Managing Director Cho Song-Ku (Air Force Brigadier General) and three other directors of Tae-u Industries; and four former Air Force Brigadiers at Korean Air Lines (Managing Directors Kye Won-ch'ol, Kim myong-sun and Kim Sang-muk, and Director Ch'oe Tong-ho.

Company Presidents who are former military officers include Chairman of the Board Yi Ch'ang-u (Army Major General) of Pusan Pipe, President Kim Hyong-tok (Army Logistics Base Commander) of Ch'ungch'ong Textiles, President Yu Pyong-pong (Navy Deputy Chief of Staff) of Hankuk Caprolactam, President Pak Hak-son (Army Brigadier) of Samyang Foods, and President Kim Nam-ha (Army Lieutenant Colonel) of Taehan Transport. Probably owing to their militarily acquired leadership ability, they show excellent management skills, thereby becoming competent specialists in professional management.

It is becoming apparent that persons who began their career in the mass media are acquiring directorial positions in increasing number.

Of 100 large enterprises, a total of 29 former mass media personnel have been placed in director's positions in 14 companies. Of those, only Managing Director Pak Yong-kun [who is concurrently holding a post at the Secretariat] and Director Kim Uk-han of Tae-u Development, and Director Yo Kyu-sik (both holding a post in the General Affairs) of Hyosong Products, hold positions in public relations, while the remainders are in charge of line management posts.

Tae-u Development is first with six former mass media personnel serving as directors, followed by Samsung Products with five.

Korean Air Lines and Miyung Construction are next with three each. In the case of KAL, Executive Director Pyon Mun-su and Directors Kim Yong-kuk and Ch'oe To-g-pin all were previously with the English-language daily KOREA HERALD.

Large Numbers of College Professors

With former mass media personnel currently moving in large numbers into external and public relations fields in the business world, within a few years mass media people will probably account for a large number of those in industry.

Former educators fall closely behind, with fairly sizeable numbers in business.

Former university professors who have moved into business include Chairman of the Board Kim Kak-chung (Koryo University) of Kyonggi Textiles, President Na Ung-pae (Seoul National University School of Business) of Hanguk Tire, Board Chairman Paek Kyong-ki (Yonsei University) and Vice President Paek Song-ki (Yongnam University) of Tongkuk Trading, Vice President Kim Yong-ch'ol (Ewha University) and Auditor Yi Ho-song (Tongkuk University) of Tongyang Cement, and Vice President Pak Chong-hwang (Seoul National University School of Engineering) of Samyang Foods.

Besides professors, large numbers of university lecturers, middle and high school teachers have assumed directors' positions.

Former members of the legal professions are represented by President Yu Hon-sang (Seoul Municipal Court Judge) of Sammi Company, Managing Director Yi T'ae-hui (Seoul Municipal Court Judge) of KAL, and Executive Director Hyon Chae-hyon (Pusan Municipal Prosecutor) of Tongyang Cement.

Former members of economic associations include Executive Director Chong Ik-chu (Korea Traders' Association) of Sunkyong, Executive Director Ch'oe Mun-ki (Korea Traders' Association) and Director Kim Tok-hwan (Korean Chamber of Commerce), of Ssangyong Cement.

It is interesting to note that both Executive Directors Kim Son-ku and Kim Ha-t'ae of Taehan Transport moved into industry from positions as Vice President of the Korean Table Tennis Association.

Also, Executive Director Song Ch'ung-won and Director Kim Ch'ol-san of Sammi Company were former ship captains, and Executive Directors Yi Ki-yol and Mun Chong-ch'ol of Samho Housing are qualified as certified public accountants.

It is also easy to pick out those who have worked for overseas organizations, then returned home to take jobs in business.

Director An Sang-ki of Samyang Tire worked in the state of Maryland, USA, as a member of the Special Committee for Evaluation of Government; Managing Director Ho Chung-ho of Ssangyong Cement worked for the U.S. State Department as a computer specialist; and Director Hong Ch'ang-pyo of the same company worked in the Philadelphia Traffic Bureau.

Also, Choila Textiles Executive Director Kim Chong-uk worked for the Allen Bergdorn Company.

Managing Director Sim Ch'ang-sik of Chinhung Enterprises worked for the Grand Pacific Services Company from 1971 to 1973, and Director Yon Sang-hum of the same company served from May 1972 until June 1977 as the Vice President of the JEC Company in Los Angeles.

No Female Directors

In this manner, people from various fields have moved into the business world; however, in view of the difficulty of finding females who have attained the position of director, it is impossible to say that women have achieved equality in the area of business management with their male counterparts.

Of course, this is not to say that competitive women have been unable to become company presidents in certain businesses; however, this is still a rare phenomenon.

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CSO: 4108/108

S. KOREA/ECONOMY

FINANCE MINISTER VIEWS TAX OVERHAUL

SK080746 Seoul YONHAP in English 0743 GMT 8 Jul 81

[Text] Seoul, July 8 (YONHAP)--The Korean Government is considering a complete overhaul of the current income tax system.

Testifying Tuesday before the National Assembly Finance Committee, Finance Minister Yi Sung-yun Seung-yun said that his ministry is studying the country's income tax structure, comparing it with legislative precedents in foreign countries, and will send a draft revision to September's scheduled regular National Assembly session for approval.

He said that the current minimum annual taxable income is 1.86 million won (17,175 U.S. dollars) for a family of five members, which he said is a very high level compared with the country's national income.

Although the government will overhaul the income tax system, the minimum taxable income will not be raised because some 70 percent of the country's wage earners are already exempt from paying income taxes, Yi said.

The government also plans to realign the country's banking industry, including short-term financing, securities and insurance, Yi added.

In connection with the government policy to put city banks under private management, Yi said that freeing banks' interest rates on their deposits would be difficult to do because it could cause excessive fund demand, bank insolvency and overall hikes in both bank interest and actual interest.

CSO: 4120/274

8. KOREA/ECONOMY

BRIEFS

FOREIGN LOAN REPAYMENTS INCREASE--Seoul, 24 Jun (YONHAP)--Korea faces a sharp increase this year in foreign loan repayments as many of the loans that have been rolling in during the past several years begin to fall due. According to government statistics, Korea's repayments of loan principal amounted to 500 million U.S. dollars during the first five months of this year, up 28.5 percent over the comparable period last year. The statistics show that principal repayments in May alone totaled 104 million dollars, compared with an average of 99 million dollars during each of the previous four months. The statistics also indicate that the interest paid on those loans totaled 3.5 billion dollars from January through May, compared with 2.7 billion dollars for all of last year, and 1.5 billion dollars for all of 1979. Korea's outstanding external debts totaled 30 billion dollars at the end of May. [Text] [SK240859 Seoul YONHAP in English 0831 GMT 24 Jun 81]

NO MAJOR PRICE HIKES--Seoul, 27 Jun (YONHAP)--The Korean government expects no major price hikes in international crude oil markets and a continued oil glut throughout the year, and thus plans no change in its oil supply-and-demand policy. Ranking Energy-Resources Ministry officials Friday predicted, however, that crude oil prices would rise gradually this year, boosting crude oil's nominal price by 10 percent by the end of the year. If Saudi Arabia were to reduce its crude production after increasing oil prices by two dollars per barrel, the government's current oil supply-and-demand program would be affected, the officials said. If oil prices are unified, as has been proposed, the basic oil price will be set at 36 dollars per barrel, they predicted. The government will use every possible means to import low-priced crude oil, insure a stable supply of crude oil and expand oil stockpiling facilities to prevent disorders in the oil supply-and-demand program, they added. [Text] [SK270250 Seoul YONHAP in English 0245 GMT 27 Jun 81]

MACHINE INDUSTRY--Seoul, 1 Jul (YONHAP)--Korea's Commerce-Industry Ministry Wednesday announced a plan to foster the Machine Industry as a key export business. According to the plan, the government will switch its support and emphasis from the past large-unit factories to medium and small-sized specialized and parts factories during the fifth economic and social development plan (1982-86). The plan also designates 28 machinery items, including power plant facilities and automobiles, to receive priority support. The ministry has decided to finance and give tax favors to the industry to boost domestic demand. The ministry has set a machinery export target of 10.5 billion U.S. dollars for 1986, more than four times this year's 2.3 billion dollars. [Text] [SK010132 Seoul YONHAP in English 0121 GMT 1 Jul 81]

SHARP BUSINESS RECOVERY UNLIKELY--Seoul, 2 Jul (YONHAP)--Korea is unlikely to see a sharp business recovery in coming months because of intensified export competition and sluggish domestic consumption and investment. According to a report released Thursday by the Korea Development Bank, the country's business got off to a good start this year, led by light industry exports, and were headed for a steady and moderate recovery in the second quarter. The report predicted no sweeping business recovery, however, for the time being. In the second quarter, the textile, footwear and shipbuilding industries continued an upward trend, and steel, electrical equipment and machinery also showed a slight recovery, the report predicted. Foodstuffs, paper, minerals and automobiles suffered a protracted recession following last year due to a decrease in local demand, the report said. [Text] [SK020314 Seoul YONHAP in English 0257 GMT 2 Jul 81]

LOOPHOLES IN PRICE POLICY--In the wake of the enforcement of the monopoly regulation and fair trade act, many loopholes have been found in the management of commodity prices by the authorities concerned. The authorities, including the Ministry of Commerce and Industry, which should know the exact price situation of the industrial goods and price hike factors, have neglected to grasp the real picture of them on the ground that price decisions have been entrusted to the market function. Some industrial firms have increased prices without justification but the ministry is reluctant to have price consultation with them, even when it faces such requests, saying that price discussion runs counter to the monopoly regulation and fair trade act. As some industrial firms did not disclose publicly their unilateral price hikes and increase factors, consumers as well as the authorities concerned are unaware of the present prices unless they make direct purchases. The prices of 10 major industrial products have soared by 20.6 percent at maximum during the two months since the new fair trade act was put into force last April. [Excerpt] [SK040257 Seoul THE KOREA TIMES in English 4 Jul 81 p 1]

'OVERSEAS COOPERATION FUND'--Seoul, 7 Jul (YONHAP)--Korea's Commerce-Industry Ministry will establish an "Overseas Cooperation Fund" to help local firms explore untapped export markets. According to the ministry's "Measures on Overseas Market Expansion" announced Tuesday, the government will financially support domestic businesses which are willing to open new markets in Africa, the Middle East and Latin America. The plan also stipulates that the government will promote closer cooperation with Korean businessmen residing in foreign countries, and will encourage investment and the founding of overseas subsidiaries by Korean businesses. The government will also promote expanded cooperation with less developed countries in the fields of technology and capital, and sponsor more frequent overseas trade fairs, according to the plan. [Text] [SK070201 Seoul YONHAP in English 0114 GMT 7 Jul 81]

REVAMPING CURRENT TAX SYSTEM CONSIDERED--Seoul, 7 Jul (YONHAP)--Korea's Finance Minister Yi Sung-yun Monday said that his ministry was considering overhauling the current tax exemption system. Testifying before the National Assembly Finance Committee, Yi said that the system would be revamped to reduce direct tax exemptions for individual firms and industries, but strengthen them for technology and manpower resources development, as well as to make the current tax support system more flexible and efficient. In order to realize more equitable tax burdens, Yi said, the present income tax rate will be reduced to mitigate the burden on

small and medium income earners, while heavier taxes will be imposed on interest, dividends and property income. Unearned money, extravagant consumption and inherited property will also be heavily taxed, Yi said. [Text] [SK070325 Seoul YONHAP in English 0306 GMT 7 Jul 81]

MEASURES TO SECURE OIL SUPPLY--Seoul, 8 Jul (YONHAP)--The Korea International Economic Institute (KIEI) Wednesday urged the Korean Government to devise measures to secure necessary oil supplies, suggesting the possibility that Saudi Arabia might raise its oil price by two dollars per barrel and curtail its oil production by one million barrels per day towards the end of this year. If Saudi Arabia were to raise its oil price by two dollars to \$34 per barrel, Korea would incur an extra burden of some \$200 million per year, as Korea imports 61 percent of its oil from Saudi Arabia, KIEI officials said. The officials also stressed the need to strengthen economic cooperation between Korea and Saudi Arabia in order to secure a stable oil supply. [Text] [SK080140 Seoul YONHAP in English 0121 GMT 8 Jul 81]

CSO: 4120/274

S. KOREA/SOCIAL CONDITIONS

BRIEFS

DAMAGE BY HEAVY RAINS--The on-and-off rain, which pounded most parts of the nation for the fourth straight day, took a toll of five persons dead and four others missing, the central disaster relief center announced yesterday morning. Sixty-one people were left homeless, the official announcement said. Property damage amounted to 657,490,000 won. The center said the intermittent rain hit Kyonggi-do hardest, causing the most damage totaling about 380 million won. According to the center, the reported casualties were one dead and four missing in Seoul; three in Kyonggi-do; and one death in Cholla-pukto. [Excerpt] [SKO40307 Seoul THE KOREA HERALD in English 4 Jul 81 p 1]

CSO: 4120/274

6. KOREA/SCIENCE AND TECHNOLOGY

NUCLEAR ENERGY DEVELOPMENT EXPLAINED

Seoul HANGUK ILBO in Korean 16 May 81 p 7

[Article by Staff Reporter Yi Kuang-yong: "Caution Must Be Exercised in the Selection of the Type of Nuclear Reactor"]

[Text] Lately the world has been making a great effort to develop an alternative energy source to oil. Some estimate that by as early as 1985, only 4 years from now, the supply of oil, the world's main energy source, may run into shortage. This is why a number of countries in the world are now scrambling to develop atomic energy, the only proven alternative source to petroleum.

A team of the Korea Energy Research Institute, led by Dr Chong Pung-il, (age 38), director of the atomic energy research policy, are in the forefront of the nation's atomic energy development policy. Dr Chon's tie with the nation's atomic energy development policy began 13 years ago in 1968 when he started working for the Department of Atomic Energy, (now the Bureau of Atomic Energy within the Institute of Science and Technology).

In 1975 he received his Ph. D. degree in nuclear engineering from Carnegie-Mellon University in the United States, returned home the next year, and served until last year with the Korea Atomic Energy Research Institute (now Korea Energy Research Institute) as director of a research department in the energy field. He has devoted himself ever since to various work mainly in the field of energy and atomic energy development policy. Among them are: the study of the nation's long term energy supply policy up to the year 2000; the planning of long term development of electrical energy sources; participation in formulating the energy plan for the fourth Five Year Plan; the planning of the nation's nuclear power plant construction and its management to the year 2000; and the presentation of the long term policy direction. "The energy development plan of our country has no choice but to tilt toward nuclear energy. The nation's energy consumption in 1979 was equivalent to 40.53 million tons of oil. Of this, 72.6 percent which is equivalent to 29.45 million tons [of oil] was imported from overseas, and the domestic energy supply amounted only to 27.4 percent of the total.

Energy consumption is bound to increase drastically as the standard of living rises and the nation becomes more industrialized, says Dr Chon. Since our country has almost reached the limit of domestic energy source development, the only way to get

inexpensive and assured energy, as it stands now, is nuclear energy, he explains.

Among the alternative energy sources to oil are the fossil fuels such as coal, atomic energy, wind and hydraulic energy, solar and tidal energy. But only coal and atomic energy can be immediately utilized now in lieu of petroleum. Hydraulic power has its limitations, and tidal, solar, and wind energy are subjected to many constraints, not to mention the fact that the technologies in these fields have yet to be established.

"To reduce the degree of dependence on oil, our country must increase electricity production. Nuclear energy is a priority item as far as the production of electricity is concerned. If the unit cost of generating electricity by oil is taken as 1, it is 0.6 by coal and 0.5 by nuclear power, only one-half that of electricity by oil."

"The Kori No 1 reactor's operational performance supports this claim well. It generates one kilowatt-hour of electricity at 11 won, almost a quarter of the cost of petroleum-powered thermal generator which requires 41 won a kilowatt-hour.

This is the reason why the nation is committed to building 13 nuclear reactors by 1991, explains Dr Chon, adding that by the year 2000 the nation will have no alternative but to build 31 reactors in view of the nation's prospect of energy supply requirement.

"If we build 13 reactors by 1991, atomic energy will account for 17.9 percent of the nation's energy demands and 56.5 percent of the electricity needs. This will amount to 4 percent of the world's total electricity produced by atomic power. By the year 2000, atomic power will account for 27.9 percent of the nation's energy needs and 74.7 percent of the electricity.

With this prospect in mind, Dr Chon stresses the importance of nuclear energy development policy. There must be, needless to say, domestic production of materials needed for nuclear power plants, which calls for huge investment; in addition, the safe supply of nuclear fuel and a certain degree of self-sufficiency should be secured. The situation with the current nuclear fuels presents a number of problems in developing nuclear energy. For one thing, the selection of the type of reactors is not easy.

The currently known reserve of the domestically available resource (uranium) is no more than the quantity that a 600,000 kilowatt reactor such as Kori No 1 can consume for 100 years. This means that the nation must rely on the overseas supply for nuclear fuel.

The world's refined uranium ore that can be supplied at less than \$150 a kilogram is limited to about 5 million tons. Accordingly, the amount of nuclear fuel that our country can procure is necessarily limited.

Dr Chon estimates that the quantity of uranium available to our country will not exceed 200,000 tons. He stresses therefore that extreme care must be exercised in the selection of the reactors for the nuclear power plants to be built in the future.

"To operate a pressurized light water reactor (PWR) capable of generating 1 million KW for 30 years--its life expectancy--(no re-cycling methods), 5000 tons of refined uranium ore is needed. The heavy water reactor (HWR) uses 20-30 percent less fuel. For a fast breeder reactor (FBR), 80 tons of fuel is sufficient to operate it for 30 years since it can utilize the enriched waste of spent uranium which breeds into fissionable nuclear materials."

On the basis of the assumption to operate 13 reactors by 1991 (11 million KW capacity), then 31 reactors by the year 2000 by installing two reactors a year thereafter (30 million KW), and finally 51 reactors by the year 2010 (54 million KW), the selection policy of reactor types that satisfy the upper limit fuel supply of 200,000 tons of refined uranium ore is necessary to install light water reactors and heavy water reactors in the ratio of three to one in the 1990's, and to operate fast breeder reactors toward the end of the 1990s, Dr Chon explains. This is the conclusion from his research on the nation's long term nuclear energy development policy, which was submitted (to the government) last year as the optimum plan. Accordingly what the plan calls for and boils down to is this: the plan for manpower training and the domestic supply of materials needed in the development of nuclear energy should be designed flexibly enough to accommodate the light water reactors, heavy water reactors, and fast breeder reactors together. A concerted effort to promote such a plan is required, he explains.

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CSO: 4108/112

8. KOREA/FOREIGN RELATIONS

SINGAPORE REPORTS SINGAPORE-ROK JOINT COMMUNIQUE

BK021407 Singapore Domestic Service in English 1330 GMT 2 Jul 91

[Text] Singapore and the Republic of Korea have stressed the urgent need for a comprehensive political solution of the Kampuchean problem in accordance with UN resolutions. This was stated in a joint communique by Mr Lee Kuan Yew and President Chon Tu-Hwan of the Republic of Korea. The two leaders held talks yesterday.

The communique said that President Chon spoke highly of the efforts of the ASEAN countries to settle the Kampuchean problem by peaceful means. He expressed his country's support for the just and legitimate stand of the ASEAN countries in this regard.

The South Korean leader also praised ASEAN for its significant achievements in the political, economic, social and cultural fields and noted that ASEAN has developed into a thriving and viable regional association. He also expressed South Korea's wish to cooperate with ASEAN in the economic and technical fields.

Mr Lee Kuan Yew and President Chon agreed to explore ways to enhance cooperation between the Republic of Korea and member countries of [passage indistinct].

The communique said both Singapore and the Republic of Korea would continue to further promote trade and expand economic relations between the two countries. The two leaders agreed that their countries should further promote close cooperation in construction and in urban farming through mutual exchange of information and technical personnel.

In reviewing the world economic situation, both leaders noted that the present situation had adversely affected developing countries. They expressed concern over the rising trend of protectionism and stressed the need for effective steps to improve the world economic climate and to help establish the new international economic order.

They also expressed the hope that the global negotiations on international economic cooperation for development would be launched as soon as possible.

The communique added that President Chon has stressed in details the efforts of his government to reduce tension and consolidate peace on the Korean peninsula with a view to achieving reunification of Korea through peaceful means. He

emphasized that the only realistic way to resolve the Korean question peacefully was to hold direct talks between the highest authorities of the South and the North Korea as proposed by him on 12 January and 6 June this year.

The communique said that Mr Lee reaffirmed the Singapore government policy that the Korean question should be resolved by peaceful means through dialogues. He supported the direct talks between the two parts of Korea.

CSO: 4120/274

S. KOREA/FOREIGN RELATIONS

MALAYSIA, ROK ISSUE COMMUNIQUE

BK011508 Kuala Lumpur International Service in English 0630 GMT 1 Jul 81

[Text] Malaysia and the Republic of Korea have called for immediate steps to be taken to remove trade protectionism. They feel this is necessary to improve the world economic situation and to contribute toward efforts being made to establish a new international economic order.

The stance is contained in a joint communique issued in Kuala Lumpur this morning at the end of a visit of President Chon Tu-Hwan of the Republic of Korea.

The communique said both Datuk Hussein Onn and President Chon expressed the hope that a new round of global negotiations on international economic cooperation would be launched.

The communique also said that the Republic of Korea wished to cooperate with members of ASEAN in the economic and technical fields. In this connection it was agreed to explore ways to enhance mutually beneficial cooperation between Korea and ASEAN member nations.

The communique also touched on peace and security in Northeast and Southeast Asia. The leaders agreed peace and security in the two regions were closely related; they were indispensable for the maintenance of peace and stability in Asia as well as the world in general.

The Seoul government reiterated its support for the ASEAN proposal to establish a zone of peace, freedom and neutrality in Southeast Asia.

Datuk Hussein Onn invited the Korean private sector to participate in ventures using Malaysian natural resources, such as rubber and wood. In this regard, the two leaders noted that the Korean-Malaysian economic cooperation committee on a private level would serve as a forum for promoting participation by the private sector in such endeavors.

Meanwhile, reports from Singapore said President Chon had arrived in the island republic for a 2-day official visit. He was met by Singapore Foreign Minister Mr Dhanabalan. In an arrival statement, President Chon called for closer economic and cultural cooperation between the two countries. He hoped his visit would serve to reaffirm the ideals of the two nations to strive for freedom and peace.

CSO: 4120/274

S. KOREA/FOREIGN RELATIONS

'YONHAP' ANALYZES RESULTS OF CHON'S ASEAN TOUR

SK100330 Seoul YONHAP in English 0308 GMT 10 Jul 81

[Text] Seoul, July 10 (YONHAP)--President Chon Tu-Hwan's ASEAN tour has unfolded an era of full-fledged economic cooperation with the resource-rich ASEAN member countries.

As the joint communiques issued with the five ASEAN countries stipulate, the future economic cooperation agreed upon during the presidential tour will be realized in the form of the joint development of natural resources, mutual transfers of technology and Korean participation in the ASEAN countries' economic and social development plans.

While Korea has long sought new export markets and sources for a stable supply of natural resources to fuel its industrialization, the ASEAN countries need a technologically able partner with whom they can develop their abundant natural resources and carry out their development programs.

Expanded future economic cooperation with ASEAN will enable Korea to penetrate a vast 80 billion-dollar export and import market, by 1981 figures, based on a population of more than 200 million, and may import oil, rubber, timber, copper and other natural resources on a stable basis.

The ASEAN countries, meanwhile, can induce technology and capital from Korea to carry out their development programs. Korea's experience in development will also help them greatly.

The expanded mutual economic cooperation initiated by Chon during his fortnight ASEAN swing will bear its first tangible fruit when leading Korean and ASEAN business figures gather together in Seoul October 6-9.

At the three-day meeting, the third of its kind, business leaders from Korea and the ASEAN countries will discuss how they can expand and deepen their mutual cooperation in the fields of construction, natural resources and trade.

Among major topics at the Seoul meeting will be setting up joint-venture plywood, high-voltage transformer and shipbuilding plants in Indonesia, opening a Malaysian office in Seoul to import rubber directly, rather than through Japan, establishing a joint-venture bank in Kuala Lumpur and erecting a joint-venture company to produce TV sets and other electronics products in Thailand, business sources here said.

The following are brief looks at Korea's current exports to, imports from and other economic ties with ASEAN countries:

Indonesia: 1980 exports, 365.6 million dollars; imports, 484.5 million dollars. Export items: textiles, machinery, iron and steel, ships, rolling stock and heavy-duty electric machines. Import items: raw rubber, lead and timber. Investment in Indonesia: 19.4 million dollars in 13 projects, including the Korea Development Co.'s joint offshore oil development. Promising areas: fertilizer, paper, cement, shipbuilding, rawhide processing, petrochemicals, plywood and marine products processing.

Malaysia: 1980 exports, 183.9 million dollars; imports, 471.6 million dollars. Export items: fertilizer, rolling stock, textiles, electronics and cement. Import items: raw rubber, timber and lead. Investments in Malaysia: 860,000 dollars in four projects. Promising areas: fertilizer, marine products processing, rubber processing, auto parts, paper and power plants.

The Philippines: 1980 exports, 151.5 million dollars; imports, 271.5 million dollars. Export items: fertilizer, iron and steel, textiles and synthetic resin. Import items: raw sugar, copper ore and palm oil. Investment: 1.7 million dollars in three projects. Promising areas: foodstuff processing, fisheries, forest and coal development and fertilizer.

Singapore: 1980 exports, 266.3 million dollars; imports, 161.3 million dollars. Export items: textiles, iron and steel, electronics, machinery, cement, tires and footwear. Import items: oil products and palm oil. Investments in Singapore: 2.5 million dollars in nine projects. Promising areas: machinery, auto parts, electronics and petrochemicals.

Thailand: 1980 exports, 164.6 million dollars; imports, 91.1 million dollars. Export items: iron and steel, textiles, machinery, electronics and cement. Import items: raw sugar, raw rubber and lead. Investments in Thailand: 2.5 million dollars in seven projects. Promising areas: diesel engines, transformers, and electrification projects.

CSO: 4120/274

S. KOREA/FOREIGN RELATIONS

BRIEFS

PRESIDENT ON OFFICIAL VISIT--The Republic of Korea has pledged to work closely with Malaysia to ensure peace in Southeast Asia. Its president, Mr Chon Tu-Hwan, said this in a statement issued on his arrival in Kuala Lumpur today for a 3-day official visit. He noted that the two countries have an equally strong love for freedom and peace and were devoted to building a just and prosperous society. President Chon expressed the hope that his visit will reaffirm and cement the bonds of friendship and mutual understanding which exist between the two countries. The president and his wife, Madame Chon, were accorded a ceremonial red carpet welcome. They were greeted by their majesties the Yang Dipertuan Agung [paramount ruler] and Raja Permaisuri Agung [wife of the paramount ruler]. Later, at the Istana Negara [state palace] an exchange of decorations took place. President Chon was bestowed the Darjah Utama Mahkota Negara, D.M.N. [the most exalted order of the crown], which carries the title Tun. His majesty was presented with the grand order of [words indistinct]. [Text] [BK291254 Kuala Lumpur Domestic Service in English 1130 GMT 29 Jun 81]

PRESIDENT'S ARRIVAL--President Chon Tu-Hwan of South Korea was given a full ceremonial welcome at the Istana [palace] an hour after his arrival. He was greeted by the acting president, Dr Yeoh Chin Seng, at the Istana ground. After inspection of the honor guard, Mr Chon was introduced to members of the cabinet led by Mr Lee Kuan Yew. Mr Chon then proceeded to the drawing room of the Istana for a courtesy call on Dr Yeoh. President Chon was received at Changi airport on arrival for his 3-day state visit by the foreign minister, Mr Dhanabalan, and the minister for trade and industry, Dr Tony Tan, who is also the minister in attendance. President Chon was accompanied by his wife and a 20-member delegation. In an arrival statement, President Chon said Singapore and South Korea had rapidly developed close and mutually profitable cooperative relations. [Words indistinct] few years ago that the two countries established formal ties. He said trade and cooperation between the two countries had also expanded. President Chon added that Singapore and South Korea were similar in that both had high population density and meager natural resources. [Text] [BK011258 Singapore Domestic Service in English 1130 GMT 1 Jul 81]

CSO: 4120/274

S. KOREA/FOREIGN TRADE

ROK EXPORTS HIT \$10 BILLION MARK AS OF 1 JULY

SK020147 Seoul YONHAP in English 0058 GMT 2 Jul 81

[Text] Seoul, 2 Jul (YONHAP)--Korea's exports for this year hit the 10 billion-dollar mark as of July 1, boding well for the country's achievement of this year's export target set at 20.5 billion dollars.

According to a report released Thursday by the Commerce-Industry Ministry, Korea's exports during the first six months of this year totaled 9,998 billion dollars, a 25.2-percent increase over the same period last year. The report also said the figure accounted for 48.8 percent of the year's export target.

In June alone, Korea exported 1.95 billion dollars worth of commodities, a 32.5-percent rise over the same month a year ago and the highest monthly total so far this year, the report noted.

During the first half of this year, letter of credit (L/C) arrivals amounted to 9.34 billion dollars, up 25.8 percent over the same period a year earlier, the report mentioned.

In June, L/C arrivals reached 1.38 billion dollars, or only 7.9 percent more than the comparable month last year.

The report attributed the slow growth of L/C arrivals to the strengthening of U.S. dollars against the Japanese yen and European currencies, worldwide high interest rates burdening buyers and the unstable political situation in the Middle East.

CSO: 4120/274

8. KOREA/FOREIGN TRADE

BRIEFS

GENERAL TRADE COMPANIES' EXPORTS--Seoul, 4 Jul (YONHAP)--Korea's Commerce-Industry Ministry Saturday said that the country's 10 general trading companies exported a total of 4.05 billion U.S. dollars' worth of commodities from January through June, a 31.5-percent increase over the same period last year. By comparison, overall exports grew 23.2 percent during the same six months. The ministry also reported that the 10 firms accounted for 40.5 percent of the country's total exports, indicating the pivotal role that Korea's general trading companies play in leading the country's export drive. The Daewoo Industrial Co. exported the most--832 million dollars--followed by the Samsung Co. (753 million dollars), the Hyundai Corp. (614 million dollars), the Kukje Corp. (414 million dollars), the Hyosung Corp. (369 million dollars), the Saangyong Corp. (360 million dollars), the Bando Sangsa Co. (279 million dollars), Sunkyoung Ltd. (276 million dollars), Kumho and Co. (112 million dollars) and Korea Trading International Inc. (38 million dollars). The report attributed the increases in the general trading companies' exports to their exploration for new export markets in Latin America and Africa. [Text] [SK040130 Seoul YONHAP in English 0108 GMT 4 Jul 81]

GOODS IN SHORT SUPPLY--Seoul, 6 Jul (YONHAP)--The Korean Government has decided to liberalize imports of goods in short supply, in order to stabilize domestic prices and to balance the demand and supply for such goods, economic planning board officials said Monday. According to the officials, the government also decided to obligate domestic businesses to report their price hikes after the fact. The government will carry out intensive tax investigations of those businesses which raise the price of their products unreasonably, the officials said. [Text] [SK060420 Seoul YONHAP in English 0333 GMT 6 Jul 81]

CSO: 4120/274

N. KOREA/FOREIGN RELATIONS

DPRK ENVOY TO MADAGASCAR MEETS PRESIDENT

SK110013 Pyongyang KCNA in English 2204 GMT 10 Jul 81

[Text] Antananarivo, July 9 (KCNA)--So Chin-yong, ambassador of our country to Madagascar, on July 8 paid a farewell call on Didier Ratsiraka, president of the host country.

The ambassador conveyed cordial regards of the great leader comrade Kim Il-song to the president.

The president expressed deep thanks for the cordial regards and asked the ambassador to convey his most wholehearted friendly and fraternal greetings to the great leader.

Expressing the belief that the independent and peaceful reunification of Korea would certainly be realised in accordance with the new proposal for founding a confederal republic put forward by the great comrade Kim Il-song at the sixth congress of the Workers Party of Korea, he said: The Malagasy Government regards it as its principled position, its bounden duty to actively support the Korean people in their just struggle for the reunification of the country.

He expressed satisfaction with the excellent development of friendly and cooperative relations between the two countries in all fields, and noted that his friendship with the great leader comrade Kim Il-song would be eternal and the friendly relations between the two countries be strengthened and developed in the struggle for the victory of the common cause.

He asked the ambassador to convey his deepest thanks to President Kim Il-song for rendering sincere help to the Malagasy people.

The talk proceeded in a friendly atmosphere.

CSO: 4120/274

W. KOREA/FOREIGN RELATIONS

KIM IL-SONG GREETs PRESIDENT OF SAO TOME AND PRINCIPE

SK111540 Pyongyang KCNA in English 1523 GMT 11 Jul 81

[Text] Pyongyang, 11 Jul (KCNA)--The great leader comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the Democratic Peoples Republic of Korea, sent a message of greetings on July 10 to Manuel Pinto da Costa, chairman of the liberation movement of Sao Tome and Principe and president of the Democratic Republic of Sao Tome and Principe, on the occasion of the sixth anniversary of the independence of Sao Tome and Principe and proclamation of the Democratic Republic of Sao Tome and Principe.

The message reads:

On the occasion of the sixth anniversary of the independence of Sao Tome and Principe and the proclamation of the Democratic Republic of Sao Tome and Principe, I, in the name of the Central Committee of the Workers Party of Korea, the government of the Democratic Peoples Republic of Korea, the Korean people and in my own name, extend warm felicitations to your excellency, the liberation movement of Sao Tome and Principe and the government and people of the Democratic Republic of Sao Tome and Principe.

Since independence the people of Sao Tome and Principe have made a big advance through the vigorous struggle for building a new prosperous society under your guidance.

The Korean people sincerely hope that basing themselves on the already-made achievements, the people of Sao Tome and Principe will win greater victory in the future in accomplishing the cause of building a new life.

Availing myself of this opportunity, I express the firm belief that the friendly and cooperative relations between our two countries will grow stronger and develop in accordance with the idea of independence, friendship and peace.

CSO: 4120/274

CHRONOLOGY OF EVENTS IN MAY 1981

Seoul VANTAGE POINT in English Vol 4, No 6, Jun 81 pp 22-32

[Text]

- 1 The 8th 6-day athletic contest for cultural small groups closes in Pyongyang with over 1,000 players competing in track and field, soccer, basketball, volleyball, boxing, and wrestling.
- 1 Pyongyang city workers hold a meeting in the Nungra-do (islet) amusement park to celebrate May Day.
- 1 The Zaire presidential envoy and his party leave Pyongyang.
- 1 A Tanzanian Revolution Party's Youth League mission led by the organization's national chairman arrives in Pyongyang.
- 1 A Japanese provincial solidarity committee mission arrives in Pyongyang.
- 2 The Supreme People's Assembly mission led by Son Song-pil (손성필) returns home from the Philippines after participating in the 128th Conference of the International Parliamentarians Union.
- 2 A film mission leaves for the Soviet Union. (The mission returned on May 29.)
- 2 A Central Broadcasting Committee mission leaves for Hungary to participate in the International Radio and TV Broadcasting Organization's 34th regular meeting and its 56th Administrative Council meeting.
- 2 A professor of Oslo University arrives in Pyongyang for an eight-day visit.
- 2 Supreme People's Assembly Chairman Hwang Jang-yop (황정엽) talks with the visiting general secretary of the Syria People's Conference.
- 3 President Kim talks with a visiting Syria People's Conference mission.
- 4 The (north) Korean Central Broadcasting Station (KCBS) reports the Workers Party Central Committee sent a congratulatory message to the Italian Socialist Party secretary general upon his reelection to the post on May 1.
- 4 An irrigation project in Guyana, completed with north Korea's technical and material help, is dedicated in a ceremony.
- 4 A mission of Zambia's Unification and Independence Party arrives in Pyongyang.
- 4 An International Journalist League mission led by its vice chairman arrives in Pyongyang and participates in a banquet hosted by the north Korean

Journalist League's Central Committee. (The mission left Pyongyang on May 8.)

- 4 A World Meteorology Organization (WMO) official arrives in Pyongyang for a five-day visit.
- 4 A Soviet intelligence organization's general secretary and his party arrive in Pyongyang for a 16-day visit.
- 4 A Hungarian Socialist Workers Party mission arrives in Pyongyang for a nine-day visit.
- 4 An East German parachuting team arrives in Pyongyang.
- 4 A mission of Chongnyon, the (pro-Pyongyang) General Association of Korean Residents in Japan, arrives in Wonsan.
- 5 President Kim makes an on-the-spot guidance tour of the Hari Cooperative Farm in Kangdong County, South Pyongan Province.
- 5 A Syria People's Conference mission leaves Pyongyang winding up its nine-day visit to north Korea.
- 5 A north Korean Industrial Technicians League mission returns home from a visit to China.
- 5 The People's Economy College holds a "friendship meeting" on the occasion of the 60th founding anniversary of the Romanian Communist Party.
- 5 The Committee for Foreign Cultural Relations and the (north) Korea-Soviet Friendship Association's Central Committee jointly host a movie appreciating meeting in Chollima Cultural Hall on the occasion of the 36th anniversary of the Soviet people's revolutionary victory.
- 5 A Soviet transportation workers' union mission arrives in Pyongyang.
- 5 An East German Red Cross Society mission led by its vice president arrives in Pyongyang.
- 5 An Iranian agricultural mission arrives in Pyongyang.
- 6 A Chongnyon mission led by its chairman, Han Dok-su, leaves Pyongyang winding up its 28-day visit to north Korea. The mission came to Pyongyang to join in President Kim's birthday functions.
- 6 A Workers' Party mission led by Party Secretary Kim Yong-nam (김 영 남) leaves for Portugal to participate in the fourth congress of the country's Socialist Party.
- 6 A north Korean UNESCO committee mission led by Deputy Foreign Ministry Cho Gyu-il (조 규 일) leaves for the Philippines to participate in the UNESCO's Asian regional conference. (The mission returned on May 19.)

- 6 The Czechoslovakian ambassador to Pyongyang hosts a movie appreciating meeting on the occasion of the 36th independence anniversary of the country.
- 6 KCBS reports the Latin American Juche Ideology Institute recently published the 5th issue of the magazine "The Emblem of Jaju (independence)."
- 6 Construction workers, technicians, desk-bound workers, and cooperative farm workers in North Pyongan Province receive orders and medals for their contributions to repairing the Yalu River irrigation system.
- 7 President Kim meets with the visiting Bangladesh Nationalist Party mission led by a member of the party central committee.
- 7 President Kim cables a congratulatory message to General Secretary Nicolae Ceausescu of the Romanian Communist Party on the occasion of its 60th founding anniversary.
- 7 Vice President Park Song-chol (박 성 철) holds talks with the visiting Tanzanian Revolution Party Youth's League mission led by its chairman.
- 7 An East German Socialist Unification Party mission arrives in Pyongyang for a six-day visit.
- 7 The 23rd assembly of the north Korean Socialist Working Youth League Central Committee closes its two-day meeting in Pyongyang.
- 8 President Kim meets with the visiting Chosun College mission and the Chongnyon education workers' mission.
- 8 President Kim cables a congratulatory message to Czechoslovakia President and Communist Party General Secretary Gustav Husak on the occasion of the country's 36th independence anniversary.
- 8 An Iranian communication and transportation mission arrives in Pyongyang.
- 8 A Brazilian newspaper reporter leaves Pyongyang winding up his eight-day visit.
- 8 KCBS reports the Central People's Committee awarded the "Ponghwa Gold Prize" to a fishery technician, Hwang Gyu-chan, for his role in improving techniques of freezing fish.
- 8 Deputy Premier Chong Jun-gi (정 준 기) meets with the visiting International Journalist League mission led by its vice chairman.
- 8 Radio Pyongyang reports north Korea and Bulgaira signed an agreement on the 1981-1982 cultural exchange program in Sofia on April 29.
- 8 The (north) Korean Central News Agency (KCNA) reports Premier Lee Jong-ok (리 중 옥) cabled a congratulatory message to the newly appoint-

ed Mauritania premier.

- 9 KCBS announces the results of the national film script writing contest held on the occasion of the 69th birthday anniversary of President Kim this year.
- 9 A Bangladesh Nationalist Party mission leaves Pyongyang winding up its 10-day visit to north Korea.
- 9 A Peruvian People's Action Party mission arrives in Pyongyang for an 11-day visit.
- 9 A mission of the north Korean Central Broadcasting Committee led by its chairman, Kim Si-hak (김 시 학), leaves for the Soviet Union.
- 9 North Korea sets free two Japanese fishing boats which were captured by the north Korean navy on May 5 for violating north Korean territorial waters.
- 9 A mining industry mission leaves for China to participate in the 48th International Mining Industry Conference organizing committee conference. (The mission returned on May 19.)
- 9 A news agency mission leaves for the Soviet Union to participate in the 36th international scientific discussion meeting on radio, electronic and communication technologies.
- 10 The Workers' Party Central Committee hosts a banquet for the visiting People's Action Party mission of Peru at Okryugwan Restaurant.
- 11 President Kim cables a congratulatory message to French Socialist President-elect Francois Mitterand.
- 11 Party Secretary Kim Hwan (김 환) meets with the visiting foreign affairs mission of the East German Socialist Unification Party.
- 11 A Nigerian upper house education committee mission led by its chairman arrives in Pyongyang for a nine-day visit. Chairman Hwang Jang-yop of the Supreme People's Assembly Standing Committee meets with the mission.
- 11 The 21st General Assembly of the General Federation of Trade Unions closes its two-day meeting in Pyongyang.
- 12 A Chinese parachuting team arrives in Pyongyang.
- 12 Various Japanese missions including a regional parliamentarian league's mission for Japan-(north) Korea friendship, a regional labor union mission led by its head, a regional solidarity committee mission, and a regional labor union mission led by its chairman arrive in Pyongyang.
- 12 The Committee for Peaceful Reunification of the Fatherland holds a meeting in Pyongyang on the occasion of its 20th founding anniversary.

- 12 Premier Lee Jong-ok cables a condolence message to the Iranian premier over the recent flood damage suffered by the country.
- 12 President Kim meets with the visiting Zambia Nationalist Unification and Independence Party mission.
- 12 The Workers' Party Central Committee cables a congratulatory message to French Socialist President-elect Francois Mitterand.
- 12 People's Armed Forces Minister Oh Jin-u (오 진 우) talks with the visiting Chinese People's Liberation Army mission.
- 12 A Foreign Affairs Ministry goodwill mission led by Vice Minister Kim Jae-suk (김 재 숙) returns home from a visit to China.
- 13 A trade promotion mission led by Deputy Foreign Trade Minister Lee Se-ung (이 세 웅) leaves for Tokyo at the invitation of the Japan-(north) Korea Trade Association.
- 13 President Kim meets with the outgoing Guyana ambassador to Pyongyang.
- 13 The Workers' Party Central Committee cables a congratulatory message to the Portugal Socialist Party general secretary on the occasion of his reelection to the post.
- 14 The crewmen of the Namjinho No. 2, a south Korean fishing boat which was captured on September 8, 1980 by north Korean navy, hold an interview with north Korean journalists.
- 14 Deputy Premier Kye Ung-tae (궤 웅 태) talks with the visiting Iran Communication and Transportation Ministry mission led by an advisor to the minister.
- 14 A Romanian picture exhibition with a movie appreciating meeting is held on the occasion of the 60th founding anniversary of the Romanian Communist Party in the Wonsan Youth Meeting Hall.
- 14 A Czechoslovakia movie appreciating meeting is held in the Chollima Cultural Hall in Pyongyang on the occasion of the 60th founding anniversary of the country's Communist Party.
- 14 The Workers' Party Central Committee cables a congratulatory message to the Denmark Socialist People's Party upon its annual meeting.
- 14 President Kim meets with the visiting Nigeria upper house education committee mission and the Peruvian People's Action Party mission, respectively.
- 14 President Kim cables a congratulatory message to Palestine Liberation Organization chief Yassir Arafat on the occasion of the week for upholding the Palestinian people's struggle.
- 15 KCBS reports north Korea participated in an international fair held in

Bulawayo of Zimbabwe from April 24 through May 3.

- 15 President Kim cables a condolence message to Singapore's Acting President and Chief Justice Wee Chong Jin over the death of President Ben amin Sheres.
- 15 A Chinese Communist Party foreign relations mission arrives in Pyongyang for a 13-day visit.
- 15 A Journalist League mission returns from Nicaragua after participating in an international journalist meeting for solidarity with the Latin American people.
- 15 A Japanese transportation workers' union mission arrives in Pyongyang.
- 15 Party Secretary Kim Yong-nam and his mission arrive in Belgrade and meet with a Yugoslavia Communists League delegation to exchange views on international issues and bilateral relations between the two countries.
- 16 President Kim cables a congratulatory message to Norway's King Olav V on the occasion of the country's Constitution Day.
- 16 Workers' Party foreign affairs officers and a visiting Chinese Communist Party mission hold a conference in Pyongyang.
- 16 KCBS reports Ambassador Chon Myong-gyong (천 명 경) to Togo recently met with the country's President Gnassingbe Eyadema.
- 16 Radio Pyongyang reports the Foreign Language Publishing House recently published Vol. IV of the "Selected Works of Kim Il-sung" in the Russian, Chinese, Japanese, English, French, Spanish, Arabic, and German languages.
- 16 An "Emergency international meeting for democratization of south Korea" opens in Tokyo.
- 17 President Kim cables a congratulatory message to the new chairman of the Yugoslavia Communist Party on the occasion of his election.
- 17 A Workers' Party mission led by Party Secretary Kim Yong-nam returns home after a 12-day visit to Portugal and Yugoslavia.
- 17 A visiting Chinese People's Liberation Army mission led by its vice chief of staff and the deputy commander in chief of the Chinese Air Force visits the Kim Il-sung Military College and the truce line.
- 18 Radio Pyongyang reports a friendship archery match between north Koreans and a visiting Chinese team was held in Pyongyang on May 14-17.
- 18 Radio Pyongyang reports Ambassador Sim Jae-du (심 재 두) to Guinea-Bissau met with Premier Joao Bernardo Vieira on May 8.
- 18 Pyongyang collegians, Kimchaek steel mill workers, and three army units hold rallies to denounce the south Korean government.

- 18 The Youth and Student Liaison Conference of Chongnyon holds a meeting in Tokyo in support of the north Korean movement to denounce the south Korean government.
- 18 North Korea and East Germany sign an agreement in Pyongyang on cultural and scientific cooperation for 1981-1982.
- 18 A mission of the Denmark-(North) Korea Friendship Association arrives in Pyongyang.
- 18 Hungarian and Cuban military judo players arrive in Pyongyang for goodwill matches with their north Korean counterparts.
- 18 Ambassador Sin In-ha (신 인 하) to Romania meets with the country's President Nicolae Ceausescu in Bucharest.
- 19 Om Yong-sik (옴 영 식) is named ambassador to Iceland.
- 19 A Workers' Party mission led by Yang Hyong-sop (양 형 섭) of the Central Committee leaves for Helsinki to participate in the Finland Communist Party's 19th congress.
- 19 The (north) Korean Science Academy and its Cuban counterpart sign an agreement in Pyongyang on scientific cooperation for 1981-1982.
- 19 A women's mission leaves for Cuba to participate in a nonaligned countries' meeting on women's role.
- 19 A trade union mission leaves for China.
- 19 The new Yugoslavian ambassador to north Korea arrives in Pyongyang.
- 19 A Japanese social science mission arrives in Pyongyang.
- 19 A mission of the (north) Korea-Japan Athletic Exchange Association arrives in Pyongyang.
- 19 A Japanese regional workers' general council mission and a Japan-(north) Korea Friendship Regional Dietmen's Confederation mission leaves Pyongyang.
- 19 Workers of the Kim Jong-tae Electric Locomotive Factory hold a meeting on the occasion of the Week for Palestine People's Struggle.
- 20 Lee Yong-su (리 용 수), chairman of the Socialist Working Youth League Central Committee, makes a statement in connection with the first anniversary of the imprisonment of former south Korean opposition leader Kim Dae-jung.
- 20 Deputy Premier-Foreign Affairs Minister Ho Dam (호 담) meets with the Tunisian ambassador to Pyongyang.
- 20 A north Korean People's Army orchestra leaves for China.
- 20 A jurist mission leaves for Sri Lanka to participate in the 21st general

assembly of the Asia-Africa Jurist Conference.

- 20 A Chongnyon economic workers' mission, the 86th fatherland visit group and the 23rd short-term fatherland visit group leave Wonsan.
- 20 The Romanian and Cambodian ambassadors to Pyongyang and their embassy officials help rice transplantation work at the (north) Korea-Romania Friendship "Sambong" Cooperative Farm and the Cambodia-(north) Korea Friendship "Paksok" Cooperative Farm, respectively.
- 21 The Workers' Party Central Committee cables a congratulatory message to the Austria Socialist Party's 26th congress.
- 21 The Polish members of the Neutral Nations Supervisory Commission help rice transplanting work at Panmun-gun Peace Cooperative Farm.
- 21 Foreign diplomats make an inspection tour of the Potong River Irrigation Monument on the occasion of the "35th anniversary of the beginning of the irrigation system construction."
- 21 KCBS reports Ambassadors Lim Gong-su (림 공 수) and Kim Pok-man (김 복 만) were recently assigned to Albania and Somalia, respectively.
- 21 Radio Pyongyang reports Ambassador Chon Myong-su (전 명 수) to China recently met with Zimbabwe Premier Robert G. Mugabe visiting China.
- 22 A meeting is held in Yanggang Province's Jiyon County Cultural Hall on the occasion of the "42nd anniversary of the anti-imperialist Musan Battle staged by President Kim."
- 22 Chairman Kang Ryang-uk (강 양 옥) of the (north) Korean Social Democratic Party cables a congratulatory message to the re-elected Portuguese Socialist Party general secretary.
- 22 The outgoing Tunisian ambassador leaves Pyongyang.
- 22 A Pyongyang national circus team led by Choe Yun-son returns home from a visit to Bangladesh and Pakistan.
- 22 President Kim receives credentials from the new Yugoslavian ambassador to Pyongyang.
- 23 President Kim meets with the visiting Chinese People's Liberation Army friendship mission led by its vice chief of staff. The members of the visiting Chinese People's Liberation Army goodwill mission were decorated with the Order of (north) Korea in the presence of Vice President Pak Song-chol, Lt. Gens. Pak Chung-guk (박 중 국) and Yun Chi-ho (윤 치 호).
- 23 A Workers' Party mission led by Deputy Premier Chong Jun-gi leaves for Mongolia to attend its People's Revolution Party's 10th congress.

- 23 An economic scholars mission led by Kim Chol-sik returns home after attending in the second meeting of the Third World Economists Association held in Cuba.
- 23 A (north) Korean journalist league mission leaves on a visit to the Soviet Union.
- 23 KCBS reports a north Korean book and photograph exhibition opened in St. George's on May 10.
- 24 A Chinese Communist Party external relations mission tours Kaesong city and Panmunjom.
- 24 President Kim talks with a visiting Rwanda mission on the country's revolutionary progress.
- 24 President Kim cables a congratulatory message to Sudanese President Gaafar Muhammed Nimeiri on the occasion of the 12th anniversary of the country's May Revolution. Kim also cables a congratulatory message to Jordan King Hussein I on the occasion of the country's 35th independence anniversary.
- 24 Party Secretary Hwang Jang-yop meets with a Japanese social scientist mission.
- 24 Chongnyon holds a meeting in Tokyo to mark the 26th founding anniversary of the association, May 25.
- 25 President Kim calbes a congratulatory message to Guyana President Linden Forbes Sampson Burnham on the occasion of the 15th independence anniversary of the country.
- 25 Party Secretary Kim Yong-nam meets with the visiting Chinese Communist Party external relations mission.
- 25 Party Secretary Yun Gi-bok (윤 기 복) confers with two visiting Chongnyon commerce and industry missions.
- 25 The Foreign Affairs Ministry hosts a banquet and a movie appreciating meeting on the occasion of the 26th founding anniversary of Chongnyon.
- 25 A mission of the India Juche Ideology Studies Society arrives in Pyongyang.
- 25 KCBS reports President Kim made a two-day on-the-spot guidance tour of Nampo City on May 22-23.
- 25 A north Korean People's Army orchestra visiting China closes its three-day performance in Shenyang.
- 26 President Kim meets with the visiting Zimbabwe education and culture minister and his mission.

- 26 The Yugoslavian foreign minister arrives in Pyongyang on a four-day visit at the invitation of the north Korean government.
- 26 A Chongnyon mission of culture, art, commerce, industry and model workers, and the 87th fatherland visit group of Chongnyon arrive in Pyongyang.
- 26 A Supreme People's Assembly mission led by Chairman Hwang Jang-yop leaves Pyongyang on a visit to Bangladesh and India.
- 26 A Rodong Shinmun mission led by Chong Ha-chon (정 하 천), first associate editor of the Workers' Party organ, leaves on a visit to China.
- 26 A Japanese national railroad union mission led by its vice chairman arrives in Pyongyang.
- 26 A Rwanda national revolution progress movement mission led by its secretary general leaves Pyongyang.
- 26 A Chinese People's Liberation Army goodwill mission led by the vice chief of staff leaves Pyongyang.
- 26 Yang Hyong-sop of the Workers' Party and his mission meet with the chairman of the Finland Social Democratic Party Central Committee.
- 26 The (north) Korean Central Broadcasting Committee announces a prospectus of the contest for the radio drama scenario to mark President Kim's 70th birthday anniversary in 1982.
- 27 A mission of the Finland Communist Party organ led by its editor-in-chief arrives in Pyongyang.
- 27 Deputy Premier-Foreign Affairs Minister Ho Dam and the visiting Yugoslavian foreign minister hold a meeting in Pyongyang.
- 27 A mission of (north) Korea-Soviet Friendship Association led by Lee Bong-hi (리 봉 희), vice chairman of the organization, leaves for the Soviet Union.
- 27 A Cyprus reporter arrives in Pyongyang.
- 28 A north Korean People's Army orchestra opens performance show in Peking.
- 28 The Soviet-(north) Korea Friendship Association holds its fifth meeting in Moscow.
- 28 A Zimbabwe Education and Culture Ministry mission led by its minister arrives in Pyongyang.
- 28 President Kim meets with the visiting Yugoslavia foreign minister and his mission.
- 28 Radio Pyongyang reports the funeral service for Chongnyon vice chairman

Yun Sang-chol (윤 상 철) was held in Tokyo recently.

- 28 A north Korean judo team and a visiting Cuba delegation have a goodwill match in Pyongyang Gymnasium.
- 28 Shim Chang-wan (심 창 환), member of the Party Central Committee and director of the Political Bureau in the Ministry of Public Security, dies of heart failure.
- 29 A Chinese culture and art mission arrives in Pyongyang.
- 29 The Central Committee of the Workers' Party announces a funeral committee was formed for the late Shim.
- 29 Successor-designate Kim Jong-il (김 정 일) visits Shim's family leading Party officials including Gen. Oh Jin-u who is member of the Standing Committee of the Party Politburo and people's armed forces minister.
- 30 Deputy Premier Kye Ung-tae leaves on a visit to Indonesia leading a government mission composed of Deputy Premier Kong Jin-tae (공 진 태), Finance Minister Choe Jong-gun (최 정 군), Deputy Foreign Minister Cho Gyu-il and Deputy External Economic Affairs Minister Lee Yong-chang. (리 영 창).
- 31 President Kim cables a condolence message to the acting president of Bangladesh over the death of President Ziaur Rahman on May 30.
- 31 President Kim cables a congratulatory message to the Western Samoa head of state on the island nation's 19th independence day.
- 31 KCBS reports the (north) Korean Central Broadcasting Committee (KCBS) and the Bulgarian National Broadcasting Station signed an agreement on mutual cooperation for 1981-1983 in Budapest on May 22.

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